

Message Text

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FM SECSTATE WASHDC
TO USMISSION IAEA VIENNA

C O N F I D E N T I A L STATE 115776

FOL REPEAT NEW DELHI 7100 ACTION SECSTATE DTD 17 MAY.

QUOTE

C O N F I D E N T I A L NEW DELHI 7100

BOMBAY 1125 FOLLOWS. SENT TO NEW DELHI FOR ACTION ON 17 MAY 77.
BEING RPT FOR YOUR ACTION/INFO.

QUOTE

C O N F I D E N T I A L BOMBAY 1125

E.O. 11652 GDS
TAGS: IAEA TECH PARM MNUC IN
SUBJ: PROSPECTIVE IAEA-INDIA SAFEGUARDS AGREEMENT ON HEAVY WATER

REF: VIENNA 4033

1. CONGEN BELIEVES THAT SETHNA INTENDS EVENTUALLY TO PUT BOTH
RAPP I AND RAPP II UNDER IAEA SAFEGUARDS. HE REASONS THAT BOTH
OF THESE PLANTS BENEFITED FROM EXTENSIVE FOREIGN ASSISTANCE AND
THEREFORE THERE IS STRONG CASE FOR PUTTING THEM UNDER THE
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SURVEILLANCE OF AN INTERNATIONAL AGENCY. HOWEVER, CONGEN NOT
CERTAIN THAT HE IS YET READY FOR THIS STEP WITH REGARD
TO RAPP II. HE SEEMS TO VIEW CURRENT IAEA NEGOTIATIONS AS
OPPORTUNITY TO SET UP LONG-TERM SAFEGAURDS ON RAPP I IN THE WAKE
OF THE CANADIAN PULL-OUT. HOWEVER, HE MAY WELL SEE SUBSTANTIAL
ADVANTAGES IN DELAYING THE SAFEGUARDING OF RAPP II UNTIL THAT
FACILITY IS CLOSER TO CRITICALITY, WHICH HE ADMITTED ONLY LAST

WEEK MAY NOT OCCUR UNTIL 1978.

2. IT IS OF COURSE TRUE THAT SETHNA'S CURRENT INTENTION IS TO OPERATE RAPP I AND RAPP II FROM A COMMON POOL OF HEAVY WATER, DEVOTED UNIQUELY TO THESE POWER REACTORS WHICH CONGEN BELIEVES IS YET TO BE ESTABLISHED. AT LEAST UNTIL VERY RECENTLY, ALL OF THE INDIAN HEAVY REACTORS, INCLUDING THOSE DEVOTED TO RESEARCH, HAVE BEEN OPERATED FROM A SINGLE HEAVY WATER POOL. SETHNA, HOWEVER, COULD ARGUE THAT HE WILL CREATE SEPARATE HEAVY WATER POOLS FOR SERVICING OF RAPP I AND RAPP II RESPECTIVELY, EVEN THOUGH THIS WOULD BE COSTLY AND UNECONOMIC. HE COULD PLACE IN RAPP I POOL THAT PORTION OF US-ORIGIN HEAVY WATER INITIALLY SUPPLIED FOR RAPP I WHICH STILL REMAINS "AFTER USE-UP OF APPROXIMATELY 10 PERCENT PER YEAR" PLUS THE FULL 21 TONS OF U.S. HEAVY WATER SUPPLIED FOR CRUS AS WELL AS THE 55 TONS OF RUSSIAN HEAVY WATER ALREADY DELIVERED. WITH THE ADDITION OF A LITTLE DOMESTIC HEAVY WATER, TOTALY WOULD AMOUNT TO THE CURRENT CHARGE AT RAPP I WHICH IS ABOUT 200 TONS.

3. SETHNA COULD THEN ARGUE THAT THE QUESTION OF THE REMAINING 145 TONS OF HEAVY WATER UNDER THE RUSSIAN COMMITMENT COULD BE DEALT WITH AT A LATER STAGE, I.E., WHEN RAPP II IS CLOSER TO GOING CRITICAL. IN THE REGARD, IT IS WORTH NOTING THAT THE BARODA HEAVY WATER PLANT IS NOW ON STEAM PROBABLY AT CLOSE TO ITS RATED ANNUAL OUTPUT OF 65-70 MTS. THE KOTA PLANT IS NOT FAR FROM OPERATIONAL CAPABILITY AND IT HAS AN ANNUAL CAPACITY OF 100 MTS. IN ADDITION, THE NANGAL PLANT IS STILL TURNING OUT ABOUT 14 MTS PER YEAR AND SETHNA HAS AN INVENTORY FROM PAST NANGAL PRODUCTION RUNNING SOMEWHERE

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BETWEEN 50 AND 100 MTS. EVEN THOUGH SETHNA WILL HAVE A NEED FOR A FURTHER 100 MTS WHEN R-5 GOES CRITICAL IN 12 TO 18 MONTHS, HIS SUPPLY OF DOMESTIC HW WILL BE CLOSE TO FULFILLING HIS NEE IF THERE ARE CONTINUED DELAYS IN COMPLETION OF RAPP II AND MAPPS.

4. CONGEN BELIVES THAT SETHNA WANTS TO PLAY HIS CARDS VERY CAREFULLY IN PUTTING INDIA'S NUCLEAR FACILITIES UNDER SAFEGUARDS. THE LINE HE SEEMS TO HAVE DRAWN FOR INTERNATIONAL SAFEGUARDS IS AT THOSE FACILITIES THAT HAVE RECEIVED MEANINGUL FOREIGN ASSISTANCE IN THE CONSTRUCTION. UNDER THIS CRITERION, RAPP II WOULD BE THE LAST MAJOR FACILITY TO BE SAFEGUARDED AS HE CONSIDERES THAT HIS REPROCESSING PLANT WAS BUILT ENTIRELY THROUGH INDIA FFORTS, AND THAT MAPPS AND NARORA FALL INTO SAME CATEGORY. ASSUMING, AS CONGEN DOES, THAT THE GOI AND PARTICULARLY SETHNA IS PREAPRED TO DISCUSS THE RENEGOTIATION OF THE TARAPUR FUEL SUPPLY CONTRACT AND RELATED INDO-U.S. BILATERAL IN THE LIGHT OF PRESIDENT CARTER'S NONPROLIFERATION POLICY, IT SEEMS POSSIBLE THAT THE GOI WILL WANT TO KEEP A FEW CARDS BACK FOR THESE BILATERAL NEGOTIATIONS THAT WILL TAKE PLACE

OVER THE NEXT 12 MONTHS, PARTICULARLY WHILE THEY WAIT TO SEE HOW CONGRESS REACTS TO THE ADMINISTRATION'S PROPOSED NON-PROLIFERATION LEGISLATION.

5. THE PRECEDING ANALYSIS SUGGESTS THAT THE U.S. MAY BE IN A BETTER POSITION LATER THIS YEAR TO WEIGH IN ON THE SAFEGUARDING OF RAPP II. WE CAN ALWAYS ARGUE THAT THE TOTAL AMOUNT OF FOREIGN SUPPLIED HEAVY WATER FOR RAPP I AND RAPP II TOGETHER EXCEEDS THE 200 TONS INITIALLY REQUIRED FOR CHARGING RAPP I. THEREFORE WE HAVE AN UNDENIABLE RIGHT TO BE INTERESTED IN SAFEGUARDING BOTH FACILITIES. OF COURSE THE SAME POINT COULD BE MADE NOW SO THE QUESTION IS WHETHER IT COULD BE DONE MORE EFFECTIVELY AT THIS JUNCTURE. I AM INCLINED TO BELIEVE WE SHOULD WAIT, AS OUR VOICE WILL CARRY GREATER STRENGTH IF USED IN OUR BILATERAL TALKS.
COURTNEY

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SCHNEIDER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
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Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 20-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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